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**FISCAL IMPACT STATEMENT**

**LS 7686**

**BILL NUMBER:** HB 1608

**NOTE PREPARED:** Feb 16, 2007

**BILL AMENDED:** Feb 15, 2007

**SUBJECT:** Drug Testing of Public Works Employees.

**FIRST AUTHOR:** Rep. Van Haaften

**FIRST SPONSOR:**

**BILL STATUS:** 2<sup>nd</sup> Reading - 1<sup>st</sup> House

**FUNDS AFFECTED:** ☒ **GENERAL**  
☒ **DEDICATED**  
☒ **FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:** (Amended) This bill reenacts the statute that requires the employees of public works contractors to submit to drug testing so that the statute applies to public works contracts of all public entities.

The bill repeals the current drug testing statute. It specifies requirements for a contractor's employees drug testing program. The bill also provides that a contract that complied with the current statute is considered to comply with the new statute.

**Effective Date:** July 1, 2007.

**Explanation of State Expenditures:** The bill would expand the state drug testing policy for public works projects to include construction, alteration, or repair of a highway, street, alley, bridge, sewer, drain, other improvement, building, facility, or other structure leased. The bill would expand the coverage to Department of Transportation projects.

The bill may increase the cost of state public works projects if the contractor and subcontractors include the cost of drug testing in their bids. The testing cost could range from about \$6 per test to \$500 per test, depending on the test used. In the aggregate, the testing costs would probably represent only a minor increase in the cost of a public works project.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** (Revised) The bill requires contractors and subcontractors to include

the plans for their drug testing program with their bids. The programs must include:

1. Subjecting each of the contractor's employees at least one time a year to testing.
2. The contractor's employees must be randomly selected for unannounced testing.
  - a. At least 2% of employees must be randomly selected each month for testing; or
  - b. If the contractor participates in a collectively bargained multi-employer substance abuse testing program in which the number tested is at least 25% of the reported employees in the multi-employer pool annually.
3. The test must test for at least:
  - a. Amphetamines.
  - b. Cocaine.
  - c. Opiates (92000 ng/ml).
  - d. PCP.
  - e. THC.
4. Impose progressive discipline on an employee who fails a drug test. The discipline measures must include, at a minimum, all the following:
  - a. Employee is subject to suspension or immediate termination from employment.
  - b. The employee is not eligible for reinstatement to employment until the employee tests negative on a five-drug panel test certified by a medical review officer.
  - c. The employee is subject to unscheduled sporadic testing for at least one year after reinstatement.
  - d. The employee would also have to be directed to a program of treatment or rehabilitation and be subject to unannounced testing for one year.

After June 30, 2009, a contractor's drug testing policy must also contain the additional requirement that a construction employee:

1. Must have successfully passed an initial or pre-employment drug test; and
2. Possess an identification card from the drug testing program that indicates that the employee is available for work.

The testing cost could range from about \$6 per test to \$500 per test, depending on the test used. In the aggregate, the testing costs would probably represent only a minor increase in the cost of a public works project.

**Explanation of Local Revenues:**

**State Agencies Affected:** All.

**Local Agencies Affected:** All.

**Information Sources:**

**Fiscal Analyst:** Chuck Mayfield, 317-232-4825.